



Washington
Metrorail
Safety
Commission

Request For Quotation RFQ 2020.003

Solicitation for External Audit Services Contract

Heather Obora

DATE: May 29, 2020

E-MAIL: procurement@wmisc.gov

NOTE:

THIS REQUEST FOR QUOTATION IS BEING ISSUED UNDER THE SMALL PURCHASE PROCEDURES. THE SMALL PURCHASE PROCEDURES ARE FOR PROCUREMENTS EXCEEDING \$10,000 BUT NOT EXCEEDING \$250,000. ANY RESPONSE OVER \$250,000 WILL NOT BE CONSIDERED.

THERE WILL BE NO FORMAL BID OPENING FOR THIS PROCUREMENT.

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REQUEST FOR QUOTATION PRICE SCHEDULE

Vendor must provide a quotation that fully explains the proposed external audit services as specified in Section II(a) of this Request for Quotation. Pricing in the matrix below should be submitted for segment totals only and must be supplemented with a detailed staffing services pricing submittal for the annual audit services required by the Federal Transportation Administration as a recipient of Federal Grant Awards. The Vendor must provide a separate pricing for optional audit service contracts for each base and option years, as applicable.

Fees must include costs for each year including the one additional two-year option. An itemized cost breakdown must be submitted for the Principal and any additional staff. WMSC requires the total costs be stated as a “not to exceed” basis. The “not to exceed” fee must be inclusive of labor, travel, report preparation, printing, and all other expenses incurred by the auditor. Fees must be billed monthly based on work completed. Payments will be made in arrears. The WMSC will reimburse the auditor as promptly as practical after receipt of acceptable invoices which detail the expenses, hours and the period for which payment is requested.

The Washington Metrorail Safety Commission (“WMSC”) hereby requests your quotation for the services in the Cost Quotation Matrices that follow.

COST QUOTATION

Cost Summary – Fiscal Year Ending June 30th

Service	2019/2020	2020/2021	2021/2022
Financial Audit and related reports	\$	\$	\$
Single Audit and related reports	\$	\$	\$
TOTAL FOR FISCAL YEAR (not-to-exceed)	\$	\$	\$
Cost of Additional Single Audit (if required)	\$	\$	\$

Hours and Rate Estimate by Year

Provider	2019/2020	2020/2021	2021/2022
	<i>Hours/Rate</i>	<i>Hours/Rate</i>	<i>Hours/Rate</i>
Partner	/	/	/
Manager	/	/	/
Senior	/	/	/
Staff	/	/	/
Administrative	/	/	/
Other (Specify)	/	/	/
Total Hours			

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STATEMENT OF WORK

I. Introduction

General Information

The Washington Metrorail Safety Commission is requesting quotations from qualified Certified Public Accountants to perform professional auditing services beginning with the fiscal year ending June 30, 2020. The WMSC is contemplating a three-year (3) contract with one (1) base year and a renewal option for one additional two-year term in addition to performing other financial audits as specified below. These audits are to be performed in accordance with auditing standards generally accepted in the United States of America, the standards set forth for financial audits contained in Government Auditing Standards and the U.S. Office of Management and Budget (“OMB”) Super Circular.

There is no expressed or implied obligation for the WMSC to reimburse responding firms for any expenses incurred in preparing quotations in response to this request. Quotations submitted are subject to public inspection and will be evaluated by a review committee.

The WMSC reserves the right, where the WMSC determines it serves in its best interest, to request additional information or clarification from proposers, or to allow corrections of errors or omissions. At the discretion of the WMSC, firms submitting quotations may be requested to make oral presentations as part of the evaluation process.

The WMSC reserves the right to retain all quotations submitted and to use any idea in a quotation regardless of whether that quotation is selected. Submission of a quotation indicates acceptance by the firm of the conditions contained in this Request for Quotation, unless clearly and specifically noted in the quotation submitted and confirmed in the contract between the WMSC and the firm selected.

The WMSC has determined a desire to establish this agreement under a Disadvantage Business Enterprise (DBE) provision thereby seeking Vendors that can meet the aspired 51% or greater goal for DBE participation.

The WMSC anticipates selecting a firm by June 30, 2020. Following the notification of the selected firm, the WMSC anticipates that a recommendation and proposed contract will be prepared for review and approval by the Commission at its July 9, 2020 meeting. The WMSC reserves the right to reject any quotation, to waive any non-material irregularities or information in any quotation, and to accept or reject any item or combination of items.

II. Scope of Work

The WMSC desires the firm to audit (“audit firm” or “firm”) all funds of the agency in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards, issued by the Comptroller of the United States. The audit firm will be required to review and assist with the preparation of the agency’s Comprehensive Annual Financial Report (“CAFR”) including accompanying schedules and notes. The firm will be required to assist with implementation of applicable Governmental Accounting Standards Board pronouncements.

The audit firm will render their auditors’ report and opinion on the basic financial statements, which will include both Government-Wide Financial Statements and Fund Financial Statements. The firm will also apply limited audit procedures to Management’s Discussion and Analysis (MD&A) and required supplementary information pertaining to the General Fund and each fund of the WMSC.

The audit firm will perform a Single Audit on the expenditures of Federal grants in accordance with Title 2 U.S. Code of Federal Regulations (“CFR”) Part 200 and 225 as applicable and render the appropriate audit reports on Internal Control over Financial Reporting based upon the audit of the WMSC’s financial statements in accordance with Government Auditing Standards and the appropriate reports on compliance with Requirements Applicable to each Major Program, Internal Control over Compliance and on the Schedule of Expenditures of Federal Awards in Accordance with the current regulations. The single audit report will include appropriate schedule of expenditures of Federal awards, footnotes, findings, and questioned costs, including reportable conditions and material weaknesses, as applicable, and follow up on prior audit findings where required.

The audit firm will issue a separate “management letter” that includes recommendations for improvements in internal control, accounting procedures and other significant observations that are considered to be non-reportable conditions, if applicable. Prior to issuance of any final management letter, the auditor must deliver a draft copy to the WMSC for review and management’s responses.

The Commission intends to submit its CAFR each year to the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting awards program. The selected firm must be expected to review the Commission’s CAFR to ensure compliance with the requirements of the award program.

At least one senior level employee of the audit firm will be required to attend a minimum of one Commission meeting for the purpose of discussing the audit and its conclusions. The auditor must provide an electronic file of each auditor prepared report in a .jpeg and .pdf format.

Additional Use of Financial Statements and Reports:

The WMSC will be free to publish its audited financial statements (including the report of the independent auditor) as it sees fit—whether in an offering statement, on the government’s web site, or somewhere else—without having to obtain prior permission from the audit firm, if all of the following conditions have been met:

☐ The independent auditor’s report accompanies the same complete set of financial statements for which an opinion was rendered;

- ☐ The financial statements are not used in a potentially misleading manner; and
- ☐ No material subsequent event has occurred that might render the financial statements potentially misleading.

Auditing Standards

To meet the requirements of this request for quotation, the audits must be performed using the most current version of each of the following:

1. Generally accepted auditing standards as set forth by the American Institute of Certified Public Accounts.
2. The standards applicable to financial audits contained in the Government Auditing Standards issued by the Comptroller General of the United States.
3. The provisions of the U. S. Office of Management and Budget (OMB) “Super Circular” or 2 Code of Federal Regulations (CFR) 200 and any applicable updates as adopted.

Working Paper Retention

All working papers and reports must be retained, at the audit firm's expense, for a minimum of seven (7) years after the last year of the Contract. The firm will be required to make working papers available, upon request, including to the following parties or the parties’ designees:

- ☐ The Washington Metrorail Safety Commission
- ☐ Federal Transit Authority
- ☐ Commonwealth of Virginia Department of Transportation
- ☐ The District of Columbia Department of Transportation
- ☐ The Maryland Department of Transportation
- ☐ The U.S. General Accounting Office
- ☐ Auditors of entities of which the WMSC is a sub recipient of grant funds
- ☐ Any agencies included in the audit of Federal grants.

In addition, the audit firm must respond to the reasonable inquiries of successor auditors and allow successor auditors to review working papers relating to matters of continuing accounting significance.

Irregularities and Illegal Acts

to the audit firm must make an immediate, written report of all irregularities and illegal acts or indications of illegal acts of which it becomes aware of to the following parties: Chief Executive Officer, WMSC Attorney, and the Chair of the WMSC Finance and Operations.

a. TECHNICAL SCOPE OF WORK AND AUDIT DATES

Audit planning, documentation of systems of internal control and compliance and transaction testing should be completed during the interim stage. The WMSC prefers to have the interim audit in August 2020 in the base year and in early May for subsequent years covered under the optional

periods of performance. The WMSC estimates it will close its books and be ready for the final audit by early September. The final reports should be issued late October or early November.

The audit firm must provide all draft reports and recommendations for improvements to the Chair of the WMSC Finance and Operations Committee within a reasonable time period after the last day of field work. The firm should be available for any meetings that may be necessary to discuss the draft audit reports with the WMSC Finance and Operations Committee. Once all issues of discussion are resolved, the reviewed CAFR, Single Audit report and other reports must be delivered to the Chief Executive Officer. The firm must provide the WMSC with final changes to the CAFR plus a signed CAFR opinion letter in a .jpeg for insertion into the CAFR, as well as .pdf copies of the final reports, including but not limited to, the single audit report, SAS 114 report and management letter, if applicable, by early November. The firm will need to input the Single Audit information into the Federal Data Collection Forms at the completion of the audit.

At least one employee of the audit firm will be required to attend a minimum of one public meeting of the Commission for the purpose of discussing the audit and its conclusions, most likely at the Commission's December meeting.

b. QUALIFICATIONS

1. General

Explain your understanding of the work to be done and why the firm believes it to be best qualified to perform the engagement. Specifically include any experience with public transit and transportation and similar commissions as well as a list of all current municipal clients. Explain your experience with single audits as well as FTA requirements. The quotation response should also include a commitment to perform the work within the time period including a draft schedule and a statement that the quotation is a firm and irrevocable offer for 180 days and signed.

2. Audit Methodology

The quotation should set forth a work plan and timeline, including your philosophy or approach to conducting the audit, major areas to be reviewed, the services to be performed as required in Section II of this request for quotation. Offerors should include, but not be limited to, the following information on their audit approach with the audit for the WMSC:

- a. Proposed segmentation of the engagement.
- b. Level of staff and number of hours to be assigned to each proposed segment of the engagement.
- c. Estimated sample size and the extent to which statistical sampling is to be used in the engagement, if at all.
- d. Type and extent of analytical procedures to be used in this engagement.
- e. Approach to be taken to gain and document an understanding of the WMSC's internal control structure.
- f. Approach to be taken in determining the laws and regulations that will be subject to audit test work.
- g. Approach to be taken in drawing audit samples for purposes of tests of compliance.

During the audit planning segment, after review of the WMSC's budgets and audits, please describe any anticipated differences in accounting methodology or suggested changes you may have with the WMSC's current methods. The proposal should identify and describe any anticipated potential audit problems, the firm's approach to resolving these problems and any special assistance that will be requested from the agency.

3. Client Assistance

Explain how you assist your clients with changes as new GASB pronouncements are implemented. Explain how you assist your clients with CAFR review and GFOA submittal for Certificate of Achievement for Excellence in Financial Reporting.

4. References

The audit firm's general experience and reputation in the local government auditing/accounting field are an important part of the firm's qualifications. Please include a minimum of three references with contact information, scope of work and dates of service that the firm performed similar services for. The WMSC reserves the right to contact any of the listed references regarding the audit services performed by the offeror.

5. Certifications/Statements

The audit firm must provide the WMSC with signed copies of:

- a. Certificate Regarding Debarment, Suspension, and Other Ineligibility and Voluntary Exclusion (Appendix A); and
- b. Disadvantage Business Enterprise Utilization Form and Participation Schedule (Appendix B).

6. Price Quotation

The cost of each year's engagement should be listed separately on a "not to exceed" basis. Costs should be detailed by proposed staff and estimated hours for each year. All expense reimbursements will be charged against the total all-inclusive maximum price submitted in this quotation. Costs for the WMSC audits should be detailed separately. Price should include the cost of additional Single Audits. See Page 4 "Cost Quotation" for the formatting example.

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PERIOD OF PERFORMANCE

The contract period of performance is from the Date-of-Award through December 31, 2022, if all options to renew are exercised subject to the satisfaction of the Base Year performance by the WMSC.

VENDOR RESPONSIBILITIES

The Vendor must complete and return this Request for Quotation. The price quotation must include the Price Schedule, page 2 and the supplemental detailed price schedule as requested along with the additional certifications found in Appendix A and Appendix B.

The Vendor must comply with all aspects of the statement of work (“SOW”).

The Vendor must submit 1 copy of their Price Proposal electronically to WMSC, Attn: Heather Obores at the following email: procurement@wmsc.gov

WMSC TAX EXEMPTION

- a. Pursuant to Article V, Section E.45 of the Washington Metrorail Safety Commission Compact, Pub. L. 115-54, as adopted by the State of Maryland, the District of Columbia, and the Commonwealth of Virginia, the WMSC has been accorded exemption from taxes as follows:

"The exercise of the powers granted by this MSC Compact shall in all respects be for the benefit of the people of the District of Columbia, the Commonwealth of Virginia, and the State of Maryland and for the increase safety, commerce, and prosperity, and as the activities associated with this MSC Compact shall constitute the performance of essential governmental functions, the Commission shall not be required to pay any taxes or assessments upon the services or any property acquired or used by the Commission under the provisions of this MSC Compact or upon the income therefrom, and shall at all times be free from taxation within the District of Columbia, the Commonwealth of Virginia, and the State of Maryland."

- b. By submission of its quotation, the vendor certifies that none of the taxes as to which the WMSC is exempt are included in its quoted price(s).

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CONTRACTING OFFICER'S TECHNICAL REPRESENTATIVE (COTR)

- a. The work will be conducted under the general direction of the WMSC Chief Executive Officer ("CEO"). Authority will be delegated to the WMSC Office Manager ("COTR") to take the following actions:
 1. Act as the principal point of contact with the Vendor. A copy of each item of incoming correspondence and a copy of any enclosures must also be submitted to the Contract Administrator ("CA"), Heather Obora.
 2. Review and approve invoices and payment estimates. Forward invoices and receipts to Accounting. In those cases, requiring release of final retained percentage of payment, the COTR will make her recommendations in writing to the CEO.
 3. Coordinate correspondence with the CA if its importance significantly impacts the contractual terms and obligations. Where such coordination is unnecessary, provide an information copy to the CA.
 4. Provide the CA with information copies of any memorandum for record which is relative to the contract.
 5. Notify the CEO whenever the COTR has reason to believe that the proposed not-to-exceed amount will be exceeded.
 6. Prepare the WMSC estimate for proposed contract modifications. Participate in negotiations of modifications.
 7. Approve, in writing, the Vendor's progress schedule when required.
 8. Receive from the Vendor, monthly, if applicable, Disadvantaged Business Enterprise ("DBE") status reports and forward them to the CA.
- b. There are certain actions which are reserved for only the CEO. They are:
 1. Approval of contract modification quotations.
 2. Issuance of written orders to stop or resume work under Article 10, "Stop Work Orders", of the General Provisions.
 3. Negotiation with the Vendor for adjustment of contract price or time.

4. The COTR is not authorized to render final decisions under the DISPUTES article of the General Provisions.
5. The COTR is not authorized to issue Termination Notices.
6. The presence or absence of the COTR must not relieve the Vendor from any requirements of the contract.

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PROPOSAL EVALUATION

The WMSC will examine and evaluate all submissions for the purpose of ascertaining each submission's qualification, completeness, and responsiveness to the provisions of this Request for Quotation. Offerors that do not meet the mandatory qualification requirements will be eliminated from further consideration.

The top qualified candidates may be scheduled for an interview for review and ranking based on the review. A recommendation for award of a contract will be made to the WMSC Commissioners.

Firms whose submissions are determined by the WMSC to be non-responsive or unqualified, will be notified of their rejection in writing by the WMSC. The notification will be issued by the WMSC after consideration of the quotation results by the WMSC Commissioners.

The WMSC reserves the right to retain all quotations submitted and use any idea in a submission regardless of whether that submission is selected. The WMSC also reserves the right, without prejudice, to reject any or all quotations submitted. Award of the contract will be made to the independent audit firm that, based on evaluation of all responses and criteria, is determined to be the best qualified to perform the audit.

Quotations will be evaluated by the WMSC on the criteria and numeric rating system in the External Auditing Services RFQ Evaluation Form found in Appendix C.

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SOLICITATION INSTRUCTIONS

1. **Type of Contract:** The WMSC contemplates award of a DBE set aside, Fixed Price Requirements contract resulting from this solicitation.
2. **Basis for Award:** The WMSC will award a contract to the lowest responsive and responsible offeror whose offer conforms to this Request for Quotation (“RFQ”) and is determined to be the most advantageous to the WMSC, considering qualifications and price related factors included in the RFQ.

If, after receipt of the quotations, the CEO determines that adequate price competition does not exist, the Offeror must provide certified cost or pricing data as requested by the CEO.

3. **Acceptance or Rejection of Quotations:** The WMSC reserves the right to accept or reject any or all offers on any or all items within 5 calendar days from the date set for opening of solicitations.
4. **Minimum Acceptance Period:** The WMSC requires a minimum acceptance period of 30 calendar days.
5. **Submittal of Quotations:** Quotations will be electronically emailed to:

Quotation to: Attn: Heather Obora
(312) 965-2353

E-Mail: procurement@wmisc.gov

Quotation must be received by the WMSC no later than **June 21, 2020, 11:00 am, Eastern Daylight Time (EDT).**

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WMSC SUPPLEMENTAL TERMS AND CONDITIONS

1. The WMSC reserves the right to cancel this order if it is not filed within the time specified in the block entitled “Required Delivery Date” or in accordance with the terms specified.
2. The Vendor must pay all transportation charges both ways on rejected material.
3. The WMSC will pay no charges for boxing, packing or drayage, unless otherwise agreed.
4. Each order and shipment must be invoiced separately. No partial deliveries will be allowed unless specifically specified on the face of this order.
5. Unless otherwise agreed upon in writing, the vendor agrees to assume the defense of and pay any judgment in any suit or suits for infringement or other litigation involving patents brought against WMSC by reason of the use of these goods, materials, or equipment and to indemnify and save harmless the WMSC against any cost of damages arising from such a suit.
6. The Vendor certifies that goods ordered must comply with all Federal, state, and other laws.

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GENERAL TERMS AND CONDITIONS

1. INSPECTION AND ACCEPTANCE. Inspection and acceptance will be at destination, unless otherwise provided.

2. DISCOUNTS. Discount time will be computed from date of delivery at the place of acceptance or from receipt of correct invoice at the office specified by the WMSC, whichever is later. Payment is made, for discount purposes, when the check is mailed.

3. STATE AND LOCAL TAXES. The WMSC is exempt from all state and District of Columbia municipal and local taxation. The WMSC's tax exemption numbers are as follows: District of Columbia L0002716503f and for Virginia, is issued on a case-by-case basis through the filing of the Virginia Form ST-12.

4. GARNISHMENT OF PAYMENTS OWED TO WMSC VENDORS. Payment under the contract is be subject to any garnishment and attachment orders issued pursuant to the laws of Maryland, Virginia, and the District of Columbia, and to levies issued under the laws of the United States.

5. INDEMNIFICATION. The Vendor will save, keep harmless, and indemnify the WMSC against any liability claims, and the cost of whatsoever in and nature (including legal expenses) arising or alleged to have arisen for injury, including personal injury to or death of person or persons, and for loss or damage to any property, occurring in connection with activities to be performed under the Contract and any acts of the Vendor in connection with activities to be performed under the Contract, resulting in whole or part from the acts, errors, or omissions of the Vendor, any subcontractor, employee, agent or representative of the Vendor or subcontractor.

6. COVENANT AGAINST CONTINGENT FEES. The vendor warrants that no person or selling agency has been employed or retained to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, except bona fide employees or bona fide established commercial or selling agencies maintained by the Vendor for the purpose of securing business. For breach or violation of this warranty, the WMSC may annul this contract without liability or, the WMSC's discretion, deduct from the contract price or consideration, or otherwise recover, the full amount of such omission, percentage, brokerage or contingent fee.

7. GRATUITIES. The WMSC may, by written notice to the Vendor, terminate the right of the Vendor or proceed under this Contract if it is found, after notice and hearings by the WMSC CEO, or his duty authorized representative, that gratuities (in the form of entertainment, gifts, or otherwise) were offered or given by the Vendor, or any agent or representative of the Vendor, to any Director, Officer or employee of the WMSC or its general consultants with the view toward securing a contract or securing favorable treatment with respect to the awarding or amending, or

the making of any determinations with respect to the performing of such contract; provided, that the existence of the facts upon which the WMSC CEO or his duty authorized representative make such findings must be in issue and may be reviewed in any competent court.

FEDERALLY REQUIRED PROVISIONS

The WMSC is the recipient of Federal grant funding from FTA. The WMSC is required to incorporate the following provisions in all contracts of the scope of the proposed procurement, and Vendor will be required to include these provisions in its contracts with sub-vendors of any tier.

8. OFFICIALS NOT TO BENEFIT.

- (a) No member of, or delegate to the Congress of the United States, or resident Commissioner, may be admitted to any share or part of this Contract or to any benefit arising from it, but this provision must be construed to beyond the extent of to this Contract if made with a corporation for its general benefit.
- (b) No member officer, or employee of the WMSC or a local public body during his tenure or one year thereafter may have any interest, direct or indirect, in this Contract or the proceeds resulting from it.

9. DISADVANTAGED BUSINESS ENTERPRISE. It is the policy of the WMSC that Disadvantaged Business Enterprises receive the maximum practicable opportunity to participate in WMSC projects and procurements. Disadvantaged Business Enterprises must be provided equitable and viable opportunities to compete for and be considered for the award of contracts and subcontracts.

The Vendor, subrecipient, or subcontractor may not discriminate on the basis of race, color, national origin, or sex in the performance of this Contract. The Vendor must carry out applicable requirements of 49 C.F.R. part 26 in the award and administration of United States Department of Transportation-assisted contracts. The Vendor's failure to carry out these requirements is a material breach of this Contract and may result in the Contract's termination or such other remedy as the WMSC deems appropriate, which may include:

- (1) Withholding monthly progress payments;
- (2) Assessing sanctions;
- (3) Liquidated damages; or
- (4) Disqualifying the contractor from future bidding as non-responsible.

a. Overview

It is the policy of the WMSC and the DOT that DBEs, as defined herein and in the Federal regulations published at 49 C.F.R. part 26, must have an equal opportunity to participate in DOT-assisted contracts.

It is also the policy of the WMSC to:

- 1. Ensure nondiscrimination in the award and administration of DOT-assisted contracts;

2. Create a level playing field on which DBEs can compete fairly for DOT-assisted contracts;
3. Ensure that the DBE program is narrowly tailored in accordance with applicable law;
4. Ensure that only firms that fully meet 49 C.F.R. part 26 eligibility standards are permitted to participate as a DBE;
5. Help remove barriers to the participation of DBEs in DOT assisted contracts;
6. To promote the use of DBEs in all types of Federally-assisted contracts and procurement activities; and
7. Assist in the development of firms that can compete successfully in the marketplace outside the DBE program.

This Contract is subject to 49 C.F.R. part 26 and the Vendor must satisfy the requirements for DBE participation as set forth in the regulations. These requirements are in addition to all other equal opportunity employment requirements of this Contract. The WMSC will make all determinations with regard to whether or not the Vendor complies with the requirements stated in this Contract. In assessing compliance, the WMSC may consider during its review of the Vendor's submission package, the Vendor's previous documented history of non-compliance with DBE requirements on previous contracts with the WMSC.

b. Contract Assurance

The Vendor, subrecipient, or subcontractor may not discriminate on the basis of race, color, national origin, or sex in the performance of this Contract. The WMSC must carry out applicable requirements of 49 C.F.R. part 26 in the award and administration of DOT-assisted contracts. The Vendor's failure requirements is a material breach of this Contract and may result in the Contract's termination or such other remedy as the WMSC deems appropriate.

c. DBE Participation

For the purpose of this Contract, the WMSC will accept only DBEs that are:

1. Certified, at the time of bid opening or proposal evaluation, by the Unified Certification Program (UCP); or
2. An out-of-state firm that has been certified by either a local government, state government or Federal government entity authorized to certify DBE status or an agency whose DBE certification process has received Federal Transit Administration ("FTA") approval; or
3. Certified by another agency approved by the WMSC.

d. DBE Participation Goal

The DBE participation goal for this Contract is set at 51% or greater. This goal represents those elements of work under this Contract performed by qualified DBEs for amounts totaling at least 51% of the total Contract price. A Vendor's failure to meet the stated goal at the time of proposal submission may render the submission non-responsive.

Proposed Submission

Each Vendor, as part of its submission, must supply the following information:

1. A completed DBE Utilization Form (see Appendix B) that indicates the percentage and dollar value of the total bid amount to be supplied by Disadvantaged Business Enterprises under this Contract.
2. A list of those qualified DBEs with which the Vendor intends to contract for the performance of portions of the work under the Contract, the agreed price to be paid to each DBE for work, the Contract's items or parts to be performed by each DBE, a proposed timetable for the performance or delivery of the Contract item, and other information as required by the DBE Participation Schedule (see Appendix B). No work may be included in the Schedule that the Vendor has reason to believe the listed DBE will subcontract, at any tier, to a sub-subcontractor other than another DBE. If awarded the Contract, the Vendor may not deviate from the DBE Participation Schedule submitted in response to its quotation. The WMSC must review and provide written approval of any subsequent changes or substitutions of DBE firms by the Vendor.
3. An original DBE Letter of Intent (see Appendix B) from each DBE listed in the DBE Participation Schedule.
4. An original DBE Affidavit (see Appendix B) from each DBE stating that there has not been any change in its status since the date of its last certification.

e. Good Faith Efforts

If the Vendor is unable to meet the goal set forth above (DBE Participation Goal), the WMSC will consider the Vendor's documented good faith efforts to meet the goal in determining responsiveness. The types of actions that the WMSC will consider as part of the Vendor's good faith efforts include, but are not limited to, the following:

1. Documented communication with the WMSC Procurement Coordinator (questions of IFB or RFP requirements, subcontracting opportunities, appropriate certification, will be addressed in a timely fashion).
2. Pre-bid meeting attendance. At the pre-bid meeting, if applicable, the WMSC generally informs potential Vendor's of DBE subcontracting opportunities.
3. The Vendor's own solicitations to obtain DBE involvement in general circulation media, trade association publication, minority-focus media, and other reasonable and available means within sufficient time to allow DBEs to respond to the solicitation.
4. Written notification to DBEs encouraging participation in the proposed Contract; and
5. Efforts made to identify specific portions of the work that might be performed by DBEs.

The Vendor must provide the following details, at a minimum, of the specific efforts it made to negotiate in good faith with DBEs for elements of the Contract:

1. The names, addresses, and telephone numbers of DBEs that were contacted.

2. A description of the information provided to targeted DBEs regarding the specifications and bid proposals for portions of the work.

3. Efforts made to assist DBEs contacted in obtaining bonding or insurance required by the Vendor or the WMSC. Further, the documentation of good faith efforts must include copies of each DBE and non-DBE subcontractor quote submitted when a non-DBE subcontractor was selected over a DBE for work on the contract. 49 C.F.R. § 26.53(b)(2)(VI). In determining whether a Vendor has made a good faith effort, the WMSC may consider the performance of other vendors in meeting the Contract goals. For example, if the apparent successful Vendor failed to meet the goal but meets or exceeds the average DBE participation obtained by other vendor, the Authority may view this as evidence of the Vendor having made good faith efforts.

f. Administrative Reconsideration

Within five (5) business days of being informed by the WMSC that it is not responsive or responsible because it has not documented sufficient good faith efforts, the Vendor may request administrative reconsideration. The Vendor must make this request in writing to the WMSC Procurement Coordinator, Heather Obora. The Procurement Coordinator will forward the Vendor's request to a reconsideration official who has not played any role in the original determination that the Vendor did not document sufficient good faith efforts.

As part of this reconsideration, the Vendor will have the opportunity to provide written documentation or argument concerning the issue of whether it met the goal or made adequate good faith efforts to do so. The Vendor will have the opportunity to meet in person with the assigned reconsideration official to discuss the issue of whether it met the goal or made adequate good faith efforts to do so. The WMSC will send the Vendor a written decision on its reconsideration, explaining the basis for finding that the Vendor did or did not meet the goal or make adequate good faith efforts to do so. The result of the reconsideration process is not administratively appealable to the Department of Transportation.

g. Termination of DBE Subcontractor

The Vendor must not terminate the DBE subcontractor(s) listed in the DBE Participation Schedule (see below) without the WMSC's prior written consent. The WMSC may provide such written consent only if the Vendor has good cause to terminate the DBE firm. Before transmitting a request to terminate, the Vendor must give notice in writing to the DBE subcontractor of its intent to terminate and the reason for the request. The Vendor must give the DBE five (5) days to respond to the notice and advise of the reasons why it objects to the proposed termination. When a DBE subcontractor is terminated or fails to complete its work on the Contract for any reason, the Vendor must make good faith efforts to find another DBE subcontractor to substitute for the original DBE and immediately notify the WMSC in writing of its efforts to replace the original DBE. These good faith efforts must be directed at finding another DBE to perform at least the same amount of work under the Contract as the DBE that was terminated, to the extent needed to meet the Contract goal established for this procurement. A Vendor's failure to comply with these requirements will result in the WMSC pursuing remedies in accordance with Section (i) Sanctions for Violations clause below.

h. Continued Compliance

The WMSC will monitor the Vendor's DBE compliance during the life of the Contract. In the event this procurement exceeds ninety (90) days, the Vendor must submit quarterly written reports to the WMSC that summarize the total DBE value for this Contract. These reports must provide the following details:

- DBE utilization established for the Contract.
- Total value of expenditures with DBE firms for the quarter.
- The value of expenditures with each DBE firm for the quarter by race and gender.
- Total value of expenditures with DBE firms from inception of the Contract; and
- The value of expenditures with each DBE firm from the inception of the Contract by race and gender.

Reports and other correspondence must be submitted to the WMSC Procurement Coordinator, Heather Obora, with copies provided to the WMSC CEO, David Mayer, and WMSC Office Manager, Andrea Hogan. Reports must continue to be submitted quarterly until final payment is issued or until DBE participation is completed.

The successful Vendor must permit:

- The WMSC to have access to necessary records to examine information as the WMSC deems appropriate for the purpose of investigating and determining compliance with this provision, including, but not limited to, records of expenditures, invoices, and contract between the successful Vendor and other DBE parties entered into during the life of the Contract.
- The authorized representatives of the WMSC, DOT, and the Comptroller General of the United States, to inspect and audit all data and records of the Vendor relating to its performance under the Disadvantaged Business Enterprise Participation provision of this Contract.
- All data/record(s) pertaining to DBE must be maintained as stated in Sections 9 and 10 of this Contract.

i. Sanctions for Violations

If at any time the WMSC has reason to believe that the Vendor is in violation of its obligations under this Contract or has otherwise failed to comply with terms of this Section 9, the WMSC may, in addition to pursuing any other available legal remedy:

- Suspend payment or make partial payment due the Vendor until the issues concerning the Vendor's compliance are resolved; or
- Terminate or cancel the Contract, in whole or in part, unless the Vendor is able to demonstrate, within a reasonable time, that it complied with the DBE terms stated in this Contract.

10. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT-OVERTIME COMPENSATION.

This Contract, to the extent that it is of a character specified in the Contract Work Hours Standard Act (40 U.S.C. §§ 327-330), is subject to the following provisions:

- (a) The Vendor must not require or permit any laborer or mechanic in any workweek in which he is employed on any work under this contract to work in excess of forty (40) hours in per workweek on work subject to the provisions of the Contract Work Hours Standards Act unless the laborer or mechanic receives compensation at a rate not less than one and one-half times his basic rate of pay for all hours worked in excess of forty (40) hours in the workweek.
- (b) In the event of any violation of the provision of paragraph (a), the Vendor will be liable to any affected employee for any amounts due, and to the WMSC for liquidated damages. Any liquidated damages must be computed with respect to each individual laborer or mechanic employed in violation of the provisions of paragraph (a) in the sum of \$10 for each calendar day on which such employee was required or permitted to be employed on the work in excess of the standard workweek of forty (40) hours without payment of the overtime wages required paragraph (a).

11. ACCESS TO RECORDS AND REPORTS.

- a. Record Retention. The Vendor will retain, and will require its subcontractors of all tiers to retain, complete, and readily accessible records related in whole or in part to the contract, including, but not limited to, data, documents, reports, statistics, sub-agreements, leases, subcontracts, arrangements, other third party agreements of any type, and supporting materials related to those records.
- b. Retention Period. The Vendor agrees to comply with the record retention requirements in accordance with 2 C.F.R. § 200.333. The Vendor must maintain all books, records, accounts and reports required under this Contract for a period of at least three (3) years after the date of termination or expiration of this Contract, except in the event of litigation or settlement of claims arising from the performance of this Contract, in which case records must be maintained until the disposition of all such litigation, appeals, claims or exceptions related to the claims.
- c. Access to Records. The Vendor agrees to provide sufficient access to the FTA and its contractors to inspect and audit records and information related to performance of this Contract as may reasonably be required.
- d. Access to the Sites of Performance. The Vendor agrees to permit the FTA and its contractors, access to the sites of performance under this Contract as may reasonably be required.

12. AUDIT AND INSPECTION OF RECORDS.

- (a) The Vendor must maintain records, and the WMSC CEO or any of his duly authorized representatives, must, until the expiration of three (3) years after final payment under the Contract, have access to and the right to examine any directly pertinent books, documents, papers and records of such vendor, involving transactions related to the Contract, for the purpose of making audit, examination, excerpts, and transcriptions.
- (b) The Vendor further agrees to include in all his subcontracts entered into pursuant to this Contract, a provision to the effect that the subcontractor agrees that the WMSC CEO or any of his duly authorized representatives may, until the expiration of three (3) years after final payment under the Contract, have access to and the right to examine any directly pertinent books documents, papers and records of such subcontractor, involving transactions related to subcontract, for the purpose of making audit, examination, excerpts and transcriptions.

13. DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION.

The Vendor must comply and facilitate compliance with DOT regulations, “Nonprocurement Suspension and Debarment,” 2 C.F.R. part 1200, which adopts and supplements the U.S. Office of Management and Budget (OMB) “Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement),” 2 C.F.R. part 180. These provisions apply to each contract at any tier of \$25,000 or more, and to each contract at any tier for a Federally-required audit (irrespective of the contract amount), and to each contract at any tier that must be approved by an FTA official irrespective of the contract amount. As such, the Vendor must verify that its principals, affiliates, and subcontractors are eligible to participate in this federally funded contract and are not presently declared by any Federal department or agency to be:

- a) Debarred from participation in any Federally-assisted Award;
- b) Suspended from participation in any Federally-assisted Award;
- c) Proposed for debarment from participation in any Federally-assisted Award;
- d) Declared ineligible to participate in any Federally-assisted Award;
- e) Voluntarily excluded from participation in any Federally-assisted Award; or
- f) Disqualified from participation in ay Federally-assisted Award.

By signing and submitting its quote, the Vendor certifies as follows:

The WMSC relies upon the certification in this clause as a material representation of fact. If it is later determined by the WMSC that the proposer knowingly rendered an erroneous or fictitious DBE submission as part of its quotation, the WMSC will pursue available remedies, including but not limited to suspension or debarment. The proposer agrees to comply with the requirements of 2 C.F.R. part 180, subpart C, as supplemented by 2 C.F.R. part 1200, while this offer is valid and throughout the period of any contract that may arise from this offer. The proposer further agrees to include a provision requiring compliance in its lower-tier-covered transactions.

14. NO FEDERAL GOVERNMENT OBLIGATION TO THIRD PARTIES.

The WMSC and Vendor acknowledge and agree that, notwithstanding any concurrence by the Federal Government in or approval of the solicitation or award of the underlying Contract, absent the express written consent by the Federal Government, the Federal Government is not a party to this Contract and may not be subject to any obligations or liabilities to the WMSC, Vendor or any other party (whether or not a party to that contract) pertaining to any matter resulting from the underlying Contract. The Vendor agrees to include the above clause in each subcontract financed in whole or in part with Federal assistance provided by the FTA. It is further agreed that the clause may not be modified, except to identify the subcontractor who will be subject to its provisions.

15. CHANGES TO FEDERAL REQUIREMENTS.

Notice to Third Party Participants. The WMSC informs the Vendor through this notice in each Third Party Agreement that: (i) Federal requirements that apply to the WMSC, the accompanying Underlying Agreement, and any Amendments to any Agreements may change due to changes in Federal law, regulations, other requirements, or guidance, or changes in the WMSC's Agreement including any information incorporated by reference and made part of that Underlying Agreement; and (ii) Applicable changes to those Federal requirements will apply to each Third Party Agreement and parties to the Agreement at any tier.

16. INCORPORATION OF FTA TERMS.

Federal Laws, Regulations, Requirements, and Guidance. The WMSC and Vendor agrees:

- (1) To comply with the requirements of 49 U.S.C. chapter 53 and other applicable federal laws, regulations, and requirements in effect now or later that affect its third-party procurements.
- (2) To comply with the applicable DOT Common Rules; and
- (3) To follow the most recent edition and any revisions of FTA Circular 4220.1, "Third Party Contracting Guidance," to the extent consistent with applicable Federal laws, regulations, requirements, and guidance.

17. PROGRAM FRAUD AND FALSE OR FRAUDULENT STATEMENT OR REALTED ACTS.

The Vendor acknowledges that the provisions of the Program Fraud Civil Remedies Act of 1986, as amended, 31 U.S.C. § 3801 *et seq.*, and DOT regulations, "Program Fraud Civil Remedies," 49 C.F.R. part 31, apply to its actions pertaining to this Project. Upon execution of the underlying contract, the Vendor certifies or affirms the truthfulness and accuracy of any statement it has made, it makes, it may make, or causes to be made, pertaining to the underlying contract or the FTA-assisted project for which the work in conjunction with this Contract is being performed. In addition to other penalties that may be applicable, the Vendor further acknowledges that if it makes, or causes to be made, a false, fictitious, or fraudulent claim, statement, submission, or certification, the Federal Government reserves the right to impose the penalties of the Program Fraud Civil Remedies Act of 1986 on the Vendor to the extent the Federal Government deems appropriate.

The Vendor also acknowledges that if it makes, or causes to be made, a false, fictitious, or fraudulent claim, statement, submission, or certification to the Federal Government under a contract connected with a project that is financed in whole or in part with Federal assistance originally awarded by FTA under the authority of 49 U.S.C. chapter 53, the Federal Government reserves the right to impose the penalties of 18 U.S.C. § 1001 and 49 U.S.C. § 5323(l) on the Vendor, to the extent the Federal Government deems appropriate.

The Vendor agrees to include the above two clauses in each subcontract financed in whole or in part with Federal assistance provided by FTA. The Vendor further agrees that the clauses may not be modified, except to identify the subcontractor who will be subject to the provisions.

18. CIVIL RIGHTS AND EQUAL OPPORTUNITY

The WMSC is an Equal Opportunity Employer. As such, the WMSC agrees to comply with all applicable Federal civil rights laws and implementing regulations. Unless the WMSC determines there are inconsistent requirements imposed by Federal laws or regulations, it will comply with the requirements of 49 U.S.C. § 5323(h)(3) by not using any Federal assistance awarded by FTA to support procurements using exclusionary or discriminatory specifications.

Under this Contract, the Vendor must comply with the following requirements and must include these requirements in each subcontract entered into pursuant to this Contract:

1. Nondiscrimination. In accordance with Federal transit law at 49 U.S.C. § 5332, the Vendor agrees that it will not discriminate against any employee or applicant for employment because of race, color, religion, national origin, sex, disability, or age. In addition, the Vendor agrees to comply with applicable Federal implementing regulations and other implementing requirements FTA may issue.

2. Race, Color, Religion, National Origin, Sex. In accordance with Title VII of the Civil Rights Act, as amended, 42 U.S.C. § 2000e *et seq.*, and the Federal transit laws at 49 U.S.C. § 5332, the Vendor agrees to comply with all applicable equal employment opportunity requirements of United States Department of Labor regulations, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," 41 C.F.R. chapter 60, and Executive Order No. 11246, "Equal Employment Opportunity in Federal Employment," September 24, 1965, 42 U.S.C. § 2000e note, as amended by any later Executive Order that amends or supersedes it, referenced in 42 U.S.C. § 2000e note. The Vendor agrees to take affirmative action to ensure equal employment opportunity for the applicants that Vendor employs, and that employees are treated, during employment, without regard to their race, color, religion, national origin, or sex (including sexual orientation and gender identity). The Vendor's action must include, but not be limited to, the following: employment, promotion, demotion or transfer, recruitment or recruitment advertising, layoff, or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. In addition, the Vendor agrees to comply with any implementing requirements FTA issues.

3. Age. In accordance with the Age Discrimination in Employment Act, 29 U.S.C. §§ 621-634, U.S. Equal Employment Opportunity Commission (U.S. EEOC) regulations, "Age Discrimination in Employment Act," 29 C.F.R. part 1625, the Age Discrimination Act of 1975, as amended, 42

U.S.C. § 6101 *et seq.*, U.S. Health and Human Services regulations, “Nondiscrimination on the Basis of Age in Programs or Activities Receiving Federal Financial Assistance,” 45 C.F.R. part 90, and Federal transit law at 49 U.S.C. § 5332, the Vendor agrees to refrain from discrimination against present and prospective employees for reason of age. In addition, the Vendor agrees to comply with any implementing requirements FTA issues.

4. Disabilities. In accordance with section 504 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. § 794, the Americans with Disabilities Act of 1990, as amended, 42 U.S.C. § 12101 *et seq.*, the Architectural Barriers Act of 1968, as amended, 42 U.S.C. § 4151 *et seq.*, and Federal transit law at 49 U.S.C. § 5332, the Vendor agrees that it will not discriminate against individuals on the basis of disability. In addition, the Vendor agrees to comply with any implementing requirements FTA issues.

19. TERMINATION FOR CONVENIENCE.

The WMSC may terminate the Contract, in whole or in part, at any time by written notice to the Vendor when it is in the WMSC’s best interest. The Vendor will be paid its costs, including contract close-out costs, and profit on work performed up to the time of termination. The Vendor must promptly submit its termination claim to WMSC in order to be paid. If the Vendor has any property in its possession belonging to WMSC, the Vendor will account for the same, and dispose of it in the manner WMSC directs.

20. TERMINATION FOR DEFAULT.

If the Vendor does not deliver supplies in accordance with the contract delivery schedule, or if the contract is for services, the Vendor fails to perform in the manner called for in the Contract, or if the Vendor fails to comply with any other provisions of the Contract, the WMSC may terminate this Contract for default. Termination will be affected by serving a Notice of Termination on the Vendor setting forth the manner in which the Vendor is in default. The Vendor will be paid only the Contract price for supplies delivered and accepted, or services performed in accordance with the manner of performance set forth in the Contract.

If it is later determined by the WMSC that the Vendor had an excusable reason for not performing, such as a strike, fire, or flood, events which are not the fault of or are beyond the control of the Vendor, the WMSC, after setting up a new delivery of performance schedule, may allow the Vendor to continue work, or treat the termination as a Termination for Convenience.

21. OPPORTUNITY TO CURE.

The WMSC, in its sole discretion, may, in the case of a termination for breach or default, allow the Vendor 15 days in which to cure the defect. In the case where a Notice of Termination is served, it will state the time period in which cure is permitted and other appropriate conditions.

If the Vendor fails to remedy to WMSC’s satisfaction the breach or default of any of the terms, covenants, or conditions of the Contract within ten (10) days after receipt by Vendor of written notice from WMSC setting forth the nature of said breach or default, WMSC has the right to terminate the contract without any further obligation to Vendor. The WMSC is not precluded from pursuing all available remedies against Vendor and its sureties for said breach or default in the event of a termination for default.

22. WAIVER OF REMEDIES FOR ANY BREACH.

In the event that WMSC elects to waive its remedies for any breach by Vendor of any covenant, term or condition of the contract, the waiver by WMSC will not limit WMSC's remedies for any succeeding breach of that or of any other covenant, term, or condition of the Contract.

APPENDIX A

Certification Regarding Debarment, Suspension and Other Ineligibility and Voluntary Exclusion

The Vendor, _____, certifies by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or WMSC. The above Vendor further certifies or affirms the truthfulness and accuracy of the contents of the statements submitted on or with this certification and understands that the provisions of 31 U.S.C. Section 3801 *et seq.*, are applicable to the proposal.

Where the Vendor is unable to certify any of the statements in this certification, the Vendor must attach an explanation to this proposal.

Authorized Official

Title of Authorized Official

Date

APPENDIX B

DBE UTILIZATION FORM

The undersigned Vendor has satisfied the requirements of the solicitation in the following manner (please check the appropriate space):

_____ The Vendor is committed to a minimum of _____% DBE utilization on this contract.

_____ The Vendor (if unable to meet the DBE goal of _____%) is committed to a minimum of _____% DBE utilization on this Contract and submits documentation demonstrating good faith efforts.

DBE PARTICIPATION SCHEDULE

The Vendor must complete the following information for all DBEs participating in the contract that comprises the DBE Utilization percent stated in the DBE Utilization Form. The Vendor must also furnish the name and telephone number of the appropriate contact person should the WMSC have any questions in relation to the information furnished herein.

DBE IDENTIFICATION AND INFORMATION FORM

Name and Address	Contact Name and Telephone Number	Participation Percent of Total Contract Value	Description of Work to be Performed	Race and Gender of Firm

APPENDIX C

EXTERNAL AUDIT SERVICES EVALUATION FORM

Firm: _____ Date: _____

1. Mandatory Elements

Vendors that do not meet the mandatory qualifications will be eliminated from further consideration. These are considered essential qualifications which cannot be overcome by other considerations or credentials:

- a. The audit firm is independent and licensed to practice in the District of Columbia
- b. The audit firm's professional personnel have received adequate continuing professional education
- c. The audit firm has not conflict of interest with regard to any other work performed for the WMSC
- d. The audit firm adhered to the instructions in this Request for Quotation on preparing and submitting the quotation
- e. The audit firm has a record of quality audit work
- f. The audit firm will retain work papers for at least seven (7) years

2. Technical Qualifications

- a. Understanding of the engagement (0-15 points) _____
- b. Quality and experience of staffing, including staffing hours (0-20 points) _____
- c. Previous government auditing experience (0-15 points) _____
- d. Experience with GASB and CAFR (0-15 points) _____
- e. Funding knowledge of FTA grant awards (0-15 points) _____
- f. Adequacy of proposed staffing plan and cost (0-20 points) _____
- Total Score (max 100 points) _____

Prepared by: _____ Date: _____

